

Assembly Bill No. 2355

Passed the Assembly August 31, 2006

Chief Clerk of the Assembly

Passed the Senate August 24, 2006

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2006, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 20900.5 to the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 2355, Negrete McLeod. Public employees' retirement: service credit: California State University academic employees.

The Public Employees' Retirement Law prescribes the rights and benefits of the members of the Public Employees' Retirement System and provides for the membership of academic employees of the California State University. The law provides that members of the system who are excused from their duties, and who are compensated during these times at amounts less than full compensation, receive reduced service credit for that period, as specified. The law permits these members, upon return and election, to receive full service credit for these periods if they make contributions to the retirement fund in an amount equal to the increase in employer liability, as specified, on the date of the request for costing of the service credit. The law also permits specified members who are academic employees of the California State University to receive full service credit if both the member and his or her employer elect to contribute to the retirement fund an amount equivalent to what would have been contributed if the member had been employed full time, not to exceed 5 years of part-time status.

This bill would permit a member who is an academic employee of the California State University who, on or after January 1, 2007, is granted a reduced pay leave, as specified, to receive full service credit if the member elects to contribute to the retirement fund the amount that would have been contributed by the member if the member was not on a reduced pay leave. The bill would require the employer, if the member elects to make his or her contributions, to contribute the amount that would have been contributed by the employer if the member was not on a reduced pay leave. The bill would further require California State University personnel to verify the eligibility of a reduced pay

leave applicant for this benefit and to keep specified records in this regard.

The people of the State of California do enact as follows:

SECTION 1. Section 20900.5 is added to the Government Code, to read:

20900.5. (a) Notwithstanding any other provision of this part, a member described in subdivision (b) who is granted a reduced pay leave, and for which he or she receives compensation, but in an amount less than the full compensation earnable by him or her while performing his or her duties while not so excused, shall be credited with service based upon the full compensation that he or she would have received if he or she was not on a reduced pay leave, if the member elects to contribute to the retirement fund the amount that would have been contributed by the member if the member was not on a reduced pay leave. If the member elects to contribute, the employer shall contribute the amount that would have been contributed by the employer if the member was not on a reduced pay leave.

(b) This section shall apply only to a member who is an academic employee of the California State University who, on or after January 1, 2007, is granted a reduced pay leave for a purpose that provides a benefit to the California State University, including, but not limited to, research, scholarly activity, creativity activity, instructional improvement, or faculty retraining.

(c) Prior to the granting of a reduced pay leave, the California State University campus personnel responsible for the administration of this section, in conjunction with the administrative staff of the office of the Chancellor of the California State University, shall verify the eligibility of the applicant. The employer shall maintain the records necessary to separately identify each member receiving service credit pursuant to this section.

Approved _____, 2006

Governor